ALERT! ALERT! ALERT!

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ALERT #113

TO:

Department Controllers, Fiscal Officers and Other Interested Parties

FROM:

Clifford W. Hall

State Controller

DATE:

May 15, 1998

SUBJECT:

Caution on Vendor Offset Regarding Invoices

A Question Regarding Compensated Absence Liability Calculation

Proposed Training on Exhibits

Effective Dates of Appropriations in Acts Without a Safety Clause

Caution on Vendor Offset Regarding Invoice

Paying agencies should be aware of the possibility that vendors who have had their payment offset may bill again. While COFRS will flag duplicate invoices, accounts payable personnel should be aware these invoices may be rebilled or sent out as statement balances. Neither should be paid because the paying agency obligation has been satisfied even though the payment was offset. If you have questions about which of your vendors have been offset, please contact Joyce Miller at 303/866-3816.

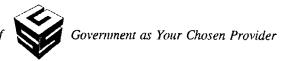
A Question Regarding Compensated Absence Liability Calculation

During the open/close training for higher education institutions, a question was raised concerning the proper rate to use for the state's contribution to PERA in calculating the annual leave liability. The closing instructions on page 84 say that the rates to be used are 11.5% of salary except for state troopers, CBI agents, and the judicial branch judges, for whom contribution rates are 13.2%, 13.2%, and 15% respectively. Since HB 98-1242 reduces the 11.5% contribution rate to 11.4% effective July 1, 1998, the question was asked whether the new reduced rate should be used for year end financial reporting.

GASB Statement No. 16, paragraphs 10 & 11 indicates that the accrual should be based on salary rates and salary related rates, such as contributions to pension plans, in effect as of the balance sheet date. Therefore, the closing instructions are correct in referring to the 11.5% rate.

Proposed Training on Exhibits

During the basic Open/Close Training there were a number of requests for specialized training on exhibits. Art Barnhart and his staff are willing to provide this training before close but are restricted to early June due to other commitments. Please contact Art at 303/866-3850 to indicate your interest. A time and place will be announced soon if enough interest is communicated to Art.



Effective Dates of Appropriations in Acts Without a Safety Clause

Legislative acts that do not contain the safety clause become effective 90 days after the end of the legislative session (unless a later date is specified in the act). During this 90 day period the public has the opportunity to file a petition for referendum with the Secretary of State's Office. The Secretary of State's Office monitors the status of all acts without the safety clause. By agreement, the Secretary of State's Office will notify the State Controller's Office of any acts which have been petitioned for referendum. In addition, the Secretary of State's Office will notify the State Controller's Office after the 90 day time period has elapsed that no other acts have been petitioned and that any appropriations contained in these acts may be recorded. If you have questions concerning any appropriations that are pending the 90 day petition period contact you Field Accounting Specialist.

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